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LB 170

Revision: 00

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS		(\$75)		(\$75)
CASH FUNDS	(\$41,300)	See Below	(\$183,357)	See Below
FEDERAL FUNDS				
HIGHWAYTRUST FUND		\$17,700		\$212,000
TOTAL FUNDS	(\$41,300)		(\$183,357)	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 170 amends the Motorcycle Safety Education Act effective January 1, 2012. The following provisions of the bill have a fiscal impact for the state in terms of operations for the motorcycle safety education program currently administered by the Department of Motor Vehicles (DMV) and revenues and aid expenditures associated with such program.

REVENUES: The bill repeals the Motorcycle Safety Education Fund. The fund currently receives \$3 of the registration fee for a motorcycle via a transfer from the Highway Trust Fund (HTF). The bill provides for the \$3 registration fee to remain in the HTF. The fund also receives \$3.50 for each motorcycle operator's license issued during the previous year via a transfer from the Department of Motor Vehicles Cash Fund. These receipts will remain in the DMV Cash Fund.

The bill requires that the proceeds of the Motorcycle Safety Education Fund are transferred to the Roads Operations Cash Fund within 60 days of the operative date of the act. It is estimated the fund will have a balance of \$790,000 on that date which will be transferred to the Roads Operations Fund in FY2011-12.

The bill also eliminates a \$5 fee for a motorcycle safety instructor's permit or chief instructor's permit that is currently paid every three years. The fees are deposited in the General Fund. A new \$100 fee to certify or renew the certification for each motorcycle safety course is established. The fees are deposited in the DVM Cash Fund and are paid every two years. The following chart summarizes the revenue changes pursuant to the bill:

Changes in Revenue
LB 170

	Highway Trust Fund	DMV Cash Fund	General Fund	Motorcycle Safety Ed Fund	Roads Oper. Cash Fund
<u>FY2011-12</u>					
\$3 Motorcycle Reg. Fee	17,700			(17,700)	
\$3.50 Motorcycle Operator's License		58,800		(58,800)	
\$5 Instructor's Permit - Repealed			(75)		
\$100 Course Certification Fee		800			
<u>FY2012-13</u>					
\$3 Motorcycle Reg. Fee	212,000			(212,000)	
\$3.50 Motorcycle Operator's License		58,800		(58,800)	
\$5 Instructor's Permit - Repealed			(75)		
\$100 Course Certification Fee		300			
Transfer Balance of Fund				(790,000)	790,000

EXPENDITURES - OPERATIONS: DMV administers a program pursuant to the Motorcycle Safety Education Act which is responsible for the management and oversight of motorcycle rider training. In the current year, \$31,357 of cash funds is appropriated to DMV from the Motorcycle Safety Education Fund to operate the program. The funds are primarily used to contract for the training of instructors and chief instructor certification. The bill changes some of the administrative responsibilities of the department. DMV estimates the cost to administer the program will be reduced to \$13,290 in FY2012-13, which will decrease annual expenditures by \$18,067. Administrative costs will be paid from the DMV Cash Fund rather than the Motorcycle Safety Education Fund upon implementation of the bill.

EXPENDITURES - AID: The bill repeals the requirement for the state to reimburse providers of motorcycle safety courses the lesser of the actual cost of a course or \$75 for each student successfully completing a course. The reimbursements currently are provided with cash funds from the Motorcycle Safety Education Fund. The repeal of the reimbursement will reduce cash fund expenditures by an estimated \$41,300 in FY2011-12 and \$165,290 in FY2012-13.

NEBRASKA DEPARTMENT OF MOTOR VEHICLES

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ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$ (41,300)	\$ (94,500)	\$ (183,357)	\$ (291,200)
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$ (41,300)	\$ (94,500)	\$ (183,357)	\$ (291,200)

Explanation of Estimate:

LB 170 changes provisions relating to the Motorcycle Safety Education Act. Under the provisions of LB 170, funds from the Highway Trust and DMV Cash Fund would no longer be diverted to the Motorcycle Education Fund. Also motorcycle safety course providers would no longer be provided a \$75 per student subsidy for those passing the course. Any funds remaining in the fund after January 1, 2012 will be transferred to the Roads Operations Cash Fund.

Changes to Motorcycle Education Fund Revenues

Revenues to	FY2012	FY2013
Interest	\$ (18,000)	\$ (20,000)
Other	\$ -	\$ (400)
Transfer from DMV Cash Fund	\$ (58,800)	\$ (58,800)
Transfer from Highway Trust Fund	\$ (17,700)	\$ (212,000)
Total Revenue Change	\$ (94,500)	\$ (291,200)

Changes to Motorcycle Education Fund Expenditures

	FY2012	FY2013
Operating Expenses	\$ -	\$ (16,217)
Travel	\$ -	\$ (1,850)
Government Aid	\$ (41,300)	\$ (165,290)
Total Expenditure Change	\$ (41,300)	\$ (183,357)

MAJOR OBJECTS OF EXPENDITURE

POSITION TITLE	NUMBER OF POSITIONS		2011-2012	2012-2013
	11-12	12-13	EXPENDITURES	EXPENDITURES
Benefits				
Operating				\$ (16,217)
Travel				\$ (1,850)
Capital Outlay				
Aid			\$ (41,300)	\$ (165,290)
Capital Improvements				
Total			\$ (41,300)	\$ (183,357)